

Senate Fiscal Agency
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SFA

BILL ANALYSIS

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Senate Bill 499 (as enrolled)
Sponsor: Senator Dale L. Shugars
Committee: Health Policy

Date Completed: 10-22-01

RATIONALE

Chapter 37 of the Insurance Code allows two or more insurers to join together to offer, sell, issue, and administer hospital, surgical, and medical expense insurance policies to individuals 65 years old or older and their spouses. The chapter was added to the Insurance Code in 1964. According to the Office of Financial and Insurance Services (OFIS), Chapter 37 was intended to help seniors obtain health care coverage; however, soon after it was enacted the Federal government created the Medicare program. Currently, the OFIS reports, no insurance companies operate under the requirements of Chapter 37. It has been suggested that Chapter 37 be removed from the Code.

CONTENT

The bill would repeal Chapter 37 of the Insurance Code.

MCL 500.3701-500.3728

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill simply would remove from the Code outdated and unnecessary provisions.

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.